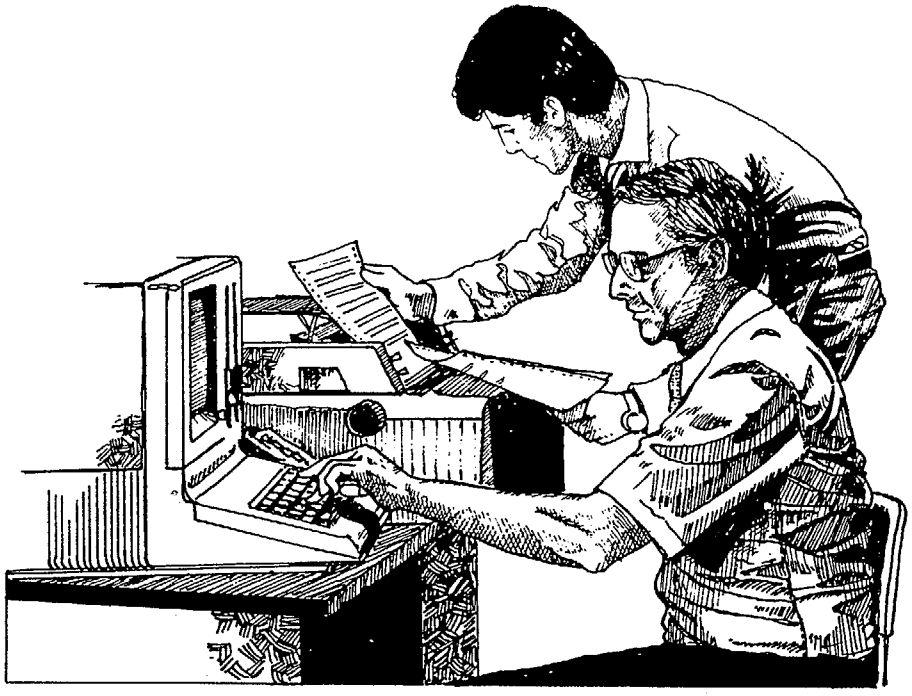
CHAPTER SIX
FINANCIAL



Chapter Six
FINANCIAL MANAGEMENT AND DEVELOPMENT PROGRAM

The analyses conducted in previous chapters have evaluated airport development needs based upon forecast activity changes, environmental factors, and operational efficiency. However, one of the most important elements of the master planning process is the application of basic economic, financial, and management rationale so that the feasibility of implementation can be assured. This chapter will concentrate on those factors which will help make the plan successful. Recommendations concerning the development schedule will be essential in maintaining a realistic and cost effective program that provides maximum benefit to the community.

The program outlined on the following pages has been evaluated from a number of perspectives. The plan is not dependent exclusively upon the Mohave County Airport Authority for funding new facilities. In fact, with proper and timely decision-making on the part of officials, it is quite possible for the Mohave County Airport Authority to acquire nearly $19.7 million in improvements over the next twenty years for less than 10 cents on the dollar.

FEDERAL AIRPORT IMPROVEMENT PROGRAM

Airport development and funding in Arizona is accomplished through a cooperative effort involving three levels of government: local, state and federal. A major funding mechanism that is anticipated to exist throughout the 20-year program, is the federal Airport Improvement Program (AIP), although the present authorization bill passed in December 1987 will expire in 1992. This program funded by airport users through user taxes and fees, is authorized to provide $1.7 billion per year to airports through 1990, $1.8

billion in 1991 and $1.9 billion in 1992, although lesser amounts are normally appropriated. For example, in 1988 and 1989 approximately $1.3 and $1.4 billion, respectively, were actually appropriated.

AIP monies are distributed to airports in the form of entitlements (based on levels of passenger enplanements) and discretionary grants. Mohave County Airport Authority has been successful in obtaining both types of grants in recent years. Cargo entitlement funds are also available, however, Kingman Airport does not currently qualify for this entitlement.

The AIP can provide up to approximately 91 percent of the funds for airport projects in Arizona that meet the eligibility requirements established by FAA. Terminal building projects, however, can only receive a maximum of 75 percent federal funding participation and only for public use areas of the terminal facility.

Grants obtained by the airport from the FAA must always be matched by local funds. It is important for the sponsor to act expeditiously in securing the federal share of these grants. Entitlement grants may be reserved for future projects for as long as two years.

ARIZONA AVIATION FUND

Another source of funds available for airport's in the State is the Arizona Aviation Fund. Taxes levied by the State on aviation fuel, flight property, aircraft registration lieu tax and registration fees, as well as interest on these funds are deposited in the Arizona Aviation Fund. These funds have the dual objective of maximizing the effective use of fund dollars for Arizona airport improvements while attracting maximum federal AIP funds. The Transportation Policy Board establishes the policies for distribution of the State dollars. Projects are considered within the priorities established for each of four airport categories: Commercial Service and Reliever Airports, airports in the Primary system, airports in the Secondary system and special projects. Currently, local sponsors can obtain one half (4.47 percent) of the local share from the aviation fund for eligible federal AIP projects or 90 percent on state-local projects.

AIRPORT DEVELOPMENT SCHEDULE AND COST SUMMARY

Once the specific needs of the Airport have been established, the next step is to determine realistic costs for each development item. However, as with any public facility, development costs are not the only consideration. Day to day operating expenses will also be an important factor in determining the amount of funds available for the local share. Development and operating costs are compared to the potential funds available. A schedule is then developed in an attempt to balance the need for each facility and its cost with the projected income sources that can be identified.

This section examines the total cost of each development project and a schedule for the projects. The following sections will examine the revenue sources and expenses of the airport operation. From this evaluation, any shortcomings can be determined and adjustments made to establish a financial program for the airport.

AIRPORT DEVELOPMENT SCHEDULE

In order to better assess the effect of the airport development costs on the overall financial system, the timing or schedule of each development item should be estimated. This evaluation can initially be conducted by dividing the development needs into three stages covering the first five, the second five and the final ten year period, respectively.

The first stage of five years includes those items of highest priority to meet safety and short-term activity needs. The second five-year stage includes those items necessary to tie together related development items and maintain or improve the capacity of the facility. The third long-term phase covering the remaining ten years includes those additional items necessary to improve efficiency and the overall operational effectiveness of the system of facilities on the airport. Of course, each phase should include basic maintenance and revenue generating components.

Prior to summarizing the staged capital costs, two important points should be emphasized. First, the staging of development projects is based upon projected airport activity levels and should be considered in conjunction with Capital Improvement Projects already being contemplated and funded by the Mohave County Airport Authority. In the case of Kingman Airport, all of these previously approved and funded projects are identified in the Stage I development program. Secondly, all of the projects not previously identified are demand based, that is, the actual construction of the project will be determined by the level of airport activity. Actual activity levels may vary from the projected activity level. Implementation of capital improvement projects should only occur after the cost has been re-evaluated and the demand level has been achieved. The airport development program is based on a fiscal year to coincide with the airport financial period.

Stage I, the first five year period of the development program, has been subdivided into individual fiscal years. Some of the development projects programmed into the first year of Stage I in **Table 6A** are previously approved and funded projects. Stage I is a very significant phase in the development program of this airport. The repair of the apron, construction of a new terminal building and construction of a new airport entrance road will be the focal point of the landside development. Airside development will feature the extension of Runway 3 and the extensions of Taxiway C and D to full parallels for each runway which will improve the ability of aircraft to access the terminal area. These projects will entail a reconstruction of the entire terminal area apron (except for the commercial aircraft apron), improved auto parking at the terminal building and better airport signage within the airport infield.

Additional projects included within the initial stage of development are the acquisition of an easement for the Runway 21 RPZ, installation of MIRL and MITL on the runway and taxiway extensions for Runway 3-21, and the construction of additional T-hangars. Other projects include pavement maintenance and installation of MITL on several taxiways. The total cost of Stage I development is estimated at $10.4 million. Approximately $.7 million of this total is not funded under the AIP Program.

Stage II development encompasses the five year period from FY1997 through FY2001 with installation of an ILS and MALSR on Runway 21, providing the airport with the ability to conduct operations when ceilings and visibilities are less than 200 and 1/2 miles. Two other airside projects involve strengthening of Runway 3-21 and the addition of MITL to all airport taxiways. Landside development planned during this period includes the construction of a FBO, additional T-Hangars, expansion of the terminal building and auto parking, as well as the completion of pavement preservation programs. The total expenditure for projects in Stage II as illustrated in **Table 6A**, is approximately $4.3 million.

Stage III contains projects for the longer range needs of the airport that will be accomplished during the period from FY2002 to FY2011. These projects include additional pavement preservation, a new conventional hangar, expansion of the commercial service terminal area, and the building, automobile parking and apron. Additionally, projects to

strengthen Runway 3-21 and the supporting taxiways, provide Distance Remaining markers for Runway 17-35 and provide a continuous pavement maintenance program, complete the development program for the airport. These and other projects bring the total cost for Stage III to approximately $5.2 million.

TABLE 6A
Estimated Development Schedule and Cost Summary
Kingman Airport

STAGE I (FY1992)	TOTAL COST
1. Apron structural upgrade/reconstruction, 35,500 SY	$1,098,200
2. Pavement preservation, Runway 17-35, 56,000 SY	194,400
3. Install lighted taxiway signs on Runway 3-21	75,000
4. Design and construct terminal auto parking area, 6,000 SY	150,000
Total Stage I (FY1992)	$1,517,600
STAGE I (FY1993)	
5. Apron structural upgrade/reconstruction, 35,500 SY	1,098,200
6. Conduct airport drainage study	75,000
7. Construct new airport entrance road	1,500,000(1)
8. Design commercial service terminal building	100,000
9. Erosion Control	50,000
10. Relocate port-a-port Hangars	6,300
Total Stage I (1993)	$2,829,500
STAGE I (FY1994)	
11. Install MITL, Taxiway A, B and C, 5,000 LF	$125,000
12. Install chain-link perimeter fence, 20,000 LF	200,000
13. Construct commercial service terminal building, 7,000 SF	840,000
14. Construct one 10-unit Shade Hangar	128,300
15. Construct general aviation auto parking area, 1,200 SY	37,500
16. Construct wash rack	37,500
17. Improve 2,100 LF of Flightline Drive, 7,000 SY	175,000
Total Stage I (FY1994)	$1,543,800

TABLE 6A (continued)
STAGE I (FY1995)

	TOTAL COST
18. Construct 969 foot extension to Runway 3, 17,000 SY	$956,300
19. Construct 1,000 foot parallel taxiway extension, Runway 3, 13,900 SY	727,600
20. Install MITL, parallel taxiway extension, Runway 3, 3,200 LF	100,000
21. Install MIRL, Runway 3 extension, 1,900 LF	71,300
22. Apron structural upgrade/reconstruction, 20,100 SY	498,000
23. Relocate VASI-2, Runway 3	10,000
24. Improve 3,600 LF of Flightline Drive, 12,000 SY	300,000
Total Stage I (FY1995)	$2,663,200

STAGE I (FY1996)

25. Construct 3,230 foot parallel taxiway extension, Runway 17-35, 18,000 SY	$787,500
26. Acquire land for Runway 21 RPZ, 80 acres	400,000
27. Apron structural upgrade/reconstruction, 21,100 SY	522,700
28. Relocate 10 unit Shade Hangar structures	15,000
29. Grade new pipeline road around Runway 21 RPZ, 4,800 SY	96,000
30. Construct wash rack, 450 SY	35,000
Total Stage I (FY1996)	$1,856,200
TOTAL STAGE I (FY1992-1996)	**$10,410,300**

Note: [1] $700,000 of federal funds is not funded by AIP.

STAGE II (FY1997-2001)

1. Install ILS/MLS precision instrument landing system, Runway 21	$1,500,000
2. Install MALSR approach lighting system, Runway 21	800,000
3. Construct connecting Taxiways, C2 and C3, Runway 17-35, 9,700 SY	424,400
4. Install MITL, Taxiways C2, and C3, 2,000 LF	62,500
5. Construct FBO hangar, 10,000 SF	750,000
6. Construct one 10-unit nested T-Hangar	150,000
7. Construct one 10-unit Shade Hangar	128,800
8. Construct general aviation auto parking, 1,200 SY	37,500
9. Pavement preservation, 250,000 SY	312,500
10. Relocate fuel island/storage tanks	156,300
TOTAL STAGE II (FY1997-2001)	**$4,322,000**

TABLE 6A (continued)
STAGE III (FY2002-2011)

		TOTAL COST
1.	Construct FBO hangar, 10,000 SF	$750,000
2.	Construct one, 10-unit T-Hangar	150,000
3.	Install Distance Remaining markers, Runway 17-35	26,300
4.	Expand terminal building, 3,000 SF	450,000
5.	Construct additional terminal auto parking, 9,000 SY	281,300
6.	Pavement preservation 500,000 SY	625,000
7.	Construct additional general aviation auto parking, 1,200 SY	37,500
8.	Strengthen terminal apron, 20,800 SY	260,000
9.	Strengthen Taxiways D, D1, D2, B and X, 57,200 SY	715,000
10.	Strengthen Runway 3-21 with pavement overlay, 130,000 SY	1,625,000
11.	Construct one 10-unit Shade Hangar	128,800
12.	Extend Flightline Drive to the North	117,500
TOTAL STAGE III (FY2002-2011)		**$5,166,400**
TOTAL AIRPORT DEVELOPMENT PROGRAM		**$19,898,700**

LF = Linear Feet, SF = Square Feet, SY = Square Yards

As shown in **Table 6A**, the total cost for developing the Kingman Airport as planned over the next twenty years would be approximately $19.9 million.

AIRPORT DEVELOPMENT COST SUMMARY

The listing under each stage in the development program as outlined in **Table 6A**, represents the culmination of a comparative analysis for the basic budget factors: needs or demands, and priority assignments. Distribution of costs between potential funding sources will be examined in depth in the context of this chapter.

Cost estimates were developed from information provided by construction industry sources as well as a review of actual costs on similar airport projects. This information was applied to pavement, earthwork, and building volume requirements for the Kingman Airport to determine estimated construction costs. A 25 percent contingency for engineering, legal fees, and unforseen costs was included in each project estimated cost. Private funding is indicated for projects such as FBO facilities and hangars. FAA facilities and engineering projects (funded entirely by the federal agency) are listed and included in the total funding for each Stage. The costs in **Table 6A and 6B** are stated in 1990 dollars and have not been adjusted for inflation.

In future years, these 1990-based cost estimates can be adjusted for subsequent inflation. This may be accomplished by converting the interim change in the United States Consumer Price Index (USCPI) into a multiplier ratio through the following formula.

$$\frac{X}{Y} = Z \text{ (Change Ratio)}$$

X = USCPI in any given year
Y = USCPI in 1990

Multiplying the change ratio (Z) by any 1990-based cost estimate presented in this study will yield the adjusted dollar amounts appropriate in any future year. The local or state CPI may be used since the national CPI may not be representative of this community.

TABLE 6B
Summary of Program Development Costs
Kingman Airport

	Local	Federal	State	Private	Total
STAGE I (FY1992-1996)	$1,650,900	$6,497,700	$2,261,700	0	$10,410,300[1]
STAGE II (FY1997-2001)	$175,290	$3,170,220	$76,490	$900,000	$4,322,000
STAGE III (FY2002-2010)	$848,825	$2,823,550	$594,025	$900,000	$5,166,400
TOTAL DEVELOPMENT	**$2,675,015**	**$12,491,470**	**$2,932,215**	**$1,800,000**	**$19,898,700[1]**

Note: [1] This total includes $700,000 funded under other federal programs.

AIRPORT OPERATING REVENUES AND EXPENDITURES

In 1979, Mohave County Airport Authority, incorporated under the provisions of Arizona Statute 2-301, entered into a long-term lease agreement with Mohave County in order to maintain, operate and develop Kingman and other county airport lands (Laughlin-Bullhead Airport). Subsequent amendments to the lease resulted in Mohave County Airport Authority obtaining control and responsibility for the Kingman Airport Industrial Park as well. In 1988, Mohave County deeded the airport to the City of Kingman. Mohave County Airport Authority is presently governed by an 18 member board of directors, appointed at staggered intervals, who are responsible for establishing policy and procedures for the Authority. The Authority is organized into two executive committees who report to the president. The executive committees are responsible for managing the Laughlin-Bullhead and Kingman Airport's.

The Mohave County Airport Authority administrative branch does not segregate income or expenses by type or source, and does not distinguish between those associated

within Kingman Airport as opposed to Laughlin-Bullhead or the industrial park. Due to this internal procedure, segregating revenues and expenses that can be directly associated with Kingman Airport operations was not possible. The Authority has recommended a change in this procedure so that in the future, the airports and industrial park will be treated as separate accounting areas within the Authority's financial management structure.

Under the Authority's accounting system, the revenue category has six major subcategories: Operating Revenue, Interest Income, Land Sale Income, Federal Grants, State Grants and Other Income. Operating Revenues combine rents, leases and tiedown fees. It is recommended that the Authority establish separate revenue accounts for each airport. Expenses of the Authority are recorded under three basic subcategories: General and Administrative, Capital Expenditures and Debt Service. The Mohave County Airport Authority further segregates the General and Administrative subcategory into 18 accounts. For purposes of this master plan, these accounts were reduced to six by combining several expense accounts into an Administrative category. The remaining expenses were grouped under Personnel, Professional, Supplies, Maintenance and Utilities. Debt service is listed under non-operating expenses. Approximately 55 percent of the Authority's expenses were allocated to Kingman Airport for purposes of this Master Plan.

Operating revenues and expenses of the Authority were reviewed by examining the previous financial records of the Mohave County Airport Authority then relating these to the expected growth and development for the next twenty years. A review of the historical revenue and expense data for the past five years revealed a general upward trend in the Authority's operating revenues and expenses. The average annual increase in both revenue and expenses was approximately 10 percent. Kingman Airport accounted for approximately 16 percent of the Authority's revenue in 1990.

Non-operating income received from interest has contributed approximately 7 percent of total revenue to the Authority during the period. Debt service has risen during the period, however, all of the debt service is in short term debt instruments (less than five years amortization).

AIRPORT OPERATING REVENUES

Presently, Kingman Airport revenues are derived from three basic sources: land leases, rental income and fuel flowage fees. Included in rental income is the revenue generated from the shade hangar rentals. A brief description of each potential revenue category with emphasis on the future growth anticipated for each revenue category follows.

Airside Revenues

AIRPORT LANDING FEES

Airport Landing Fees, which are not presently collected, could be a source of revenue for the airport. Recommended landing fee rates are illustrated in Table 6C for aircraft within specific category ranges. The recommended landing fee, $0.60 per 1,000 pounds, is competitive for this size airport at the present time. The landing fee should be gradually increased during the period to keep pace with the pavement maintenance costs.

FUEL FLOWAGE FEE

The fuel flowage fee currently being charged the FBO's is slightly less than that being charged at airports of this size. The projected fuel flowage income throughout the planning period is based on the current fuel flowage fee. The airport should continue to

monitor this source of income in order to ensure the fee remains competitive.

Landside Revenues

The Landside Revenue financial category contains five sub-categories, described in the paragraphs that follow:

TERMINAL LEASES

This sub-category contains revenue obtained from leases of commercial terminal counter and office space within the passenger terminal facility. Historically, this revenue source has accounted for approximately one-third of the Landside revenue. Income sources under this category consist of terminal rent and a percentage of gross income. When the new terminal is constructed, other revenue sources such as advertising space, direct phone fees, public address system, and concession fees would be possible. Recommended charges for these services are illustrated in Table 6C. Future revenue from this source is expected to increase throughout the period as illustrated in **Table 6D.**

Table 6C
Recommended Rates and Fees
Kingman Airport

Terminal Fee	Fee
Counter Space	$20.00/SF
Office Space	$15.00/SF
Advertising Space	$2.00/SF
Retail Sales Space	$20.00/SF
Landing Fee	$.60/1,000 LB
Fuel Flowage Fee	$.06/Gal

NOTE: SF = Square Feet
LB = Pounds
Gal = Gallons

AIRCRAFT STORAGE FEE

The airport has negotiated a lease with an aircraft storage company that will involve parking large commercial airliners on the airport for extensive periods of time. This unique arrangement required establishing a revenue category to indicate this income. The aircraft parking fees are based upon whether it is a narrow-body or wide-body aircraft, the latter aircraft demanding a higher parking fee.

Based on the anticipated number and types of aircraft that will require storage at the airport (requirements provided by the airport staff), the Aircraft Storage Fee revenue was projected and illustrated in **Table 6D.**

LAND LEASES

Land lease income is derived from the lease of land, buildings and hangars to private individuals, businesses, FBO's and agencies. Land lease revenue accounts for approximately 13 percent of the landside income. The revenue from this category is anticipated to increase at a annual rate of five percent throughout the planning period.

HANGAR FEES

The Authority recently installed a 10-unit shade hangar from which rental income is derived. Should the Authority desire to continue construction and rental of shade hangars throughout the planning period, the income stream projected throughout the planning period would be approximately 14 percent of Landside revenues. The calculation is based on the assumption that one half of the projected hangar requirements during the planning period will be satisfied by the Authority's construction of shade hangars.

BUILDING LEASES

Included in the Building Lease category are FBO leases, as well as leases to aviation related businesses established on airport property. This category presently accounts for approximately 50 percent of total airport revenue. Future income from this source is expected to grow at approximately five percent throughout the planning period, as illustrated in **Table 6D.**

MISCELLANEOUS INCOME

Miscellaneous revenue represents income received from temporary or minor sources such as gate access cards, special events, use of special equipment, etc, and usually represents less than one half of one percent of total revenue. However, the income from this revenue category will be considerably larger during the first four years because it will reflect income from a temporary source (an aircraft storage company with a short term lease).

For the first four years (until FY1994-95), the Miscellaneous category will reflect income from the temporary storage of DC-9 and Boeing 727 aircraft. At the conclusion of this short term lease, this revenue category should average approximately $1,000 annually. Miscellaneous revenue reflecting these conditions is illustrated in **Table 6D.**

AIRPORT OPERATING EXPENSES

Airport operating expenses were consolidated into seven categories:

- Personnel
- Administrative
- Professional Services
- Maintenance
- Supplies
- Utilities

Personnel Expenses

Personnel expenses include salaries, benefits, employee travel or education, and other closely related expenses. Salaries and employee benefits account for the majority of the expenses in this category at approximately 55 percent of the total airport operating expense.

In planning for future development at the airport, personnel needs should be addressed in order to ensure adequate staff is available to meet the increase in services and activity. Additional personnel positions (maintenance technicians, clerical and management) have been incorporated into the future personnel expense requirements for the airport as indicated in **Table 6D.**

Administrative Expenses

Administrative expenses include telephone, miscellaneous office expense, advertizing, travel, dues, equipment rental, surveys, insurance, appraisals and other closely related expenses. Administrative expenses have varied slightly during the historical period, averaging a little more than 31 percent of the total airport operating expense.

Although administrative expenses are anticipated to increase throughout the planning period, the percentage of total airport operating expense attributed to this category should remain essentially the same. This is reflected in the projected airport expenses illustrated in **Table 6D.**

Professional Services

This particular category of expense has fluctuated as a percentage of the total operating expense, varying from approximately seven to 30 percent of total Authority expenses. For purposes of this plan, this category of expense is anticipated to remain at approximately 13 percent of total airport

expense throughout the period.

Maintenance Expense

Maintenance costs have consistently been approximately 2.5 percent of the total operating expense category. The majority of this expense category is attributed to maintenance of the airfield.

With the addition of a new terminal building as well as apron renovation in Stage I, some reduction in annual maintenance expense is expected. It is anticipated that these changes will have little impact on overall maintenance expenses at the airport, which have been projected to remain at approximately 3 percent of total airport expense in **Table 6D.**

Supply Expenses

The Supply category includes office supplies, terminal supplies and maintenance supplies. This category contributes approximately 2 percent to total airport expenses.

It is anticipated that this category will remain at approximately this level of total expenses throughout the planning period.

Utility Expense

Utility expenses are primarily associated with the cost of electricity. Utility costs contribute roughly 10 percent to total airport operating expenses at this time and are projected **(Table 6D)** to remain at this level of total airport expense throughout the planning period.

CASH FLOW ANALYSIS

Airport operating revenues are generated through fees and lease agreements with users of the airport. Several methods are available for an airport to generate income for its use. The Mohave County Airport Authority presently employs land and building leases, fuel flowage fees, hangar fees, FBO leases, Aircraft storage fees and a percentage of gross revenue to generate revenue. In the past, these revenues have not covered operating expenses. It is obvious that the recently negotiated lease agreements are changing this situation. As indicated in **Table 6D,** revenues will exceed expenditures very shortly and continue in that pattern until the end of 1999, when expenses are projected slightly higher than revenues for a short period of time. However, the operating income will not be sufficient to meet obligations (debt service and the local share of development costs) during the planning period. It will be important for the airport to seek new or additional revenue in order to support the development program.

The ideal and ultimate goal of any airport should be the capability to support its own operation and development through self-generated user fees. By establishing reasonable fees, the airport has the potential to meet its operating expenses as well as provide for improvement in airport facilities, ensuring the airport will continue to provide viable service to the citizens of the community.

Table 6D presents a cash flow earnings test of operating revenues, operating expenses, debt service and the capital improvement costs for Kingman Airport. The table includes a year-by-year breakdown throughout the 20 year planning period.

TABLE 6D
Cash Flow Analysis - Stage I
Kingman Airport

	FY1992	FY1993	FY1994	FY1995	FY1996
REVENUES					
AIRSIDE					
Fuel Flowage Fees	4,700	5,000	5,400	5,700	6,000
LANDSIDE					
Terminal Leases	7,400	7,400	8,400	8,400	9,000
Aircraft Storage Fees	22,500	75,000	112,500	120,000	135,000
Land Leases	2,900	3,000	3,200	3,400	3,600
Shade Hangar Leases	6,000	6,600	7,800	9,000	9,600
Building Leases	148,400	148,400	148,400	148,400	155,800
Miscellaneous	3,000	7,500	10,500	15,000	1,000
TOTAL REVENUE	**$194,900**	**$252,900**	**$296,200**	**$309,900**	**$320,000**
EXPENSES					
Personnel	$79,000	$86,900	$95,600	$105,200	$115,700
Administration	53,200	58,500	64,400	70,800	77,900
Professional Services	24,400	26,800	29,500	32,400	35,700
Maintenance	4,400	4,800	5,300	5,800	6,400
Supplies	3,700	4,100	4,500	4,900	5,400
Utilities	20,100	22,200	24,400	26,800	29,500
TOTAL EXPENDITURES	**$184,800**	**$203,300**	**$223,700**	**$245,900**	**$270,600**
OPERATING INCOME (DEFICIT)	$10,100	$49,600	$72,500	$64,000	$49,400
DEBT SERVICE	$80,500	$80,500	$80,500	$80,500	$80,500
LOCAL SHARE OF DEVELOPMENT COSTS	$91,000	$567,800	$683,600	$163,200	$145,350

TABLE 6D (Continued)
Cash Flow Analysis - Stage II
Kingman Airport

	FY1997	FY1998	FY1999	FY2000	FY2001
REVENUES					
AIRSIDE					
Fuel Flowage Fees	6,800	7,000	7,200	7,500	7,700
LANDSIDE					
Terminal Leases	10,000	10,000	10,000	12,000	12,000
Aircraft Storage Fees	150,000	135,000	120,000	110,000	100,000
Land Leases	3,800	4,000	4,200	4,400	4,600
Shade Hangar Leases	9,600	9,600	10,800	12,000	13,200
Building Leases	163,600	171,800	180,400	189,400	198,900
Miscellaneous	1,000	1,000	1,000	1,000	1,000
TOTAL REVENUE	**$344,800**	**$338,400**	**$333,600**	**$336,300**	**$337,400**
EXPENSES					
Personnel	$121,500	$127,600	$133,900	$140,600	$147,700
Administration	81,700	85,785	90,074	94,578	97,415
Professional Services	37,485	39,359	41,327	43,394	45,563
Maintenance	6,720	7,056	7,409	7,7779	8,168
Supplies	5,670	5,954	6,251	6,564	6,892
Utilities	30,975	35,524	34,150	35,857	37,650
TOTAL EXPENDITURES	**$284,050**	**$298,278**	**$313,111**	**$328,772**	**$343,389**
OPERATING INCOME (DEFICIT)	$60,800	$40,100	$20,500	$7,500	$-6,000
DEBT SERVICE	0	0	0	0	0
LOCAL SHARE OF DEVELOPMENT COSTS	$35,100	$35,000	$35,100	$35,000	$35,100

TABLE 6D (Continued)
Cash Flow Analysis - Stage III
Kingman Airport

	FY2002	FY2003	FY2004	FY2005	FY2006
REVENUES					
AIRSIDE					
Fuel Flowage Fees	8,400	8,600	8,800	9,000	9,300
LANDSIDE					
Terminal Leases	12,000	12,000	12,000	12,000	15,000
Aircraft Storage Fees	100,000	100,000	100,000	100,000	100,000
Land Leases	4,800	5,000	5,300	5,600	5,900
Shade Hangar Leases	14,400	15,600	16,800	18,000	19,200
Building Leases	208,800	219,200	230,200	241,700	253,800
Miscellaneous	1,000	1,000	1,000	1,000	1,000
TOTAL REVENUE	**$349,400**	**$361,400**	**$374,000**	**$387,100**	**$403,900**
EXPENSES					
Personnel	$152,100	$156,700	$161,400	$166,200	$171,200
Administrative	100,338	103,348	106,448	109,642	112,931
Professional Services	46,930	48,338	49,788	51,282	52,820
Maintenance	8,413	8,666	8,926	9,193	9,469
Supplies	7,099	7,312	7,531	7,757	7,990
Utilities	38,780	39,943	41,142	42,376	43,647
TOTAL EXPENDITURES	**$353,660**	**$364,306**	**$375,235**	**$386,450**	**$398,057**
OPERATING INCOME (DEFICIT)	$-4,300	$-2,900	$-1,200	$700	$5,000
DEBT SERVICE	0	0	0	0	0
LOCAL SHARE OF DEVELOPMENT COSTS	$84,900	$84,900	$84,900	$84,900	$84,900

TABLE 6D (Continued)
Cash Flow Analysis - Stage III
Kingman Airport

	FY2007	FY2008	FY2009	FY2010	FY2011
REVENUES					
AIRSIDE					
Fuel Flowage Fees	10,300	10,600	10,800	11,100	11,400
LANDSIDE					
Terminal Leases	16,000	16,000	18,000	19,000	19,000
Aircraft Storage Fees	100,000	100,000	100,000	100,000	100,000
Land Leases	5,800	6,000	6,200	6,400	6,600
Shade Hangar Leases	20,400	21,600	22,800	24,000	25,200
Building Leases	266,500	279,800	293,800	308,500	323,900
Miscellaneous	1,000	1,000	1,000	1,000	1,000
TOTAL REVENUE	**$420,000**	**$435,000**	**$452,600**	**$470,000**	**$487,100**
EXPENSES					
Personnel	$176,300	$181,600	$187,100	$192,700	$198,400
Administration	116,319	119,809	123,403	127,105	130,918
Professional Services	54,405	56,037	57,718	59,450	61,223
Maintenance	9,753	10,046	10,347	10,658	10,977
Supplies	8,229	8,476	8,730	8,992	9,262
Utilities	44,956	46,305	47,694	49,125	50,599
TOTAL EXPENDITURES	**$409,963**	**$422,273**	**$434,993**	**$448,030**	**$461,390**
OPERATING INCOME (DEFICIT)	$10,000	$12,700	$17,600	$22,000	$25,700
DEBT SERVICE	0	0	0	0	0
LOCAL SHARE OF DEVELOPMENT COSTS	$84,900	$84,900	$84,900	$84,900	$84,600

AIRPORT DEVELOPMENT AND FUNDING SOURCES

As previously mentioned, financing for the development and operation of an airport does not typically come from only one source. Such is the case with Kingman Airport, where federal, state and private sources for funding will be necessary during the next 20 years. The primary contributor to development and operation of the airport will be the aviation community.

FEDERAL AND STATE AID TO AIRPORTS

Federal aid to airports was discussed in some detail earlier in the chapter. AIP, the federal program for financing airport improvements and development, provides funds through *entitlement* or *discretionary funding.*

Airport Entitlement Funds

Kingman Airport is classified as a *commercial service airport* under the National Plan of Integrated Airport Systems (NPIAS). The Airport Improvement Program (AIP) recognizes an airport as a *primary* airport when it has attained a minimum of .01 percent of the total annual U.S. enplanements at all commercial service airports. A primary airport qualifies for entitlement funds under the AIP program. These entitlement funds are based on the airport's level of enplanements. A primary airport has access to the amount of entitlement funds earned through their enplanement levels, however, the airport must justify the expenditure of those funds to FAA before they can be obtained.

Entitlement funds are treated the same as discretionary funding (the major source of funds for non-primary airports) in that the airport must apply to FAA for the funds. The major advantage to entitlement funds versus discretionary funds is that the airport earns or is entitled to a minimum level of federal expenditures on an annual basis. Kingman Airport has not reached an enplanement level that will qualify it for entitlement funding, however, the required enplanement level might possibly be reached near the end of the planning period. Airports that receive entitlement funds also are eligible for discretionary funds.

Airport Discretionary Funds

For airports that do not qualify for entitlement funding, discretionary funding is available. The primary feature of AIP funding that must be recognized is that discretionary funds are distributed on a priority basis. These priorities are established by each FAA regional office based upon the number and dollar amount of applications received. Since the program provides over 91 percent of the funding for eligible projects it is essential to most public airport development programs. Kingman Airport, therefore, will be competing for discretionary fund development grants with other communities in Arizona and the FAA Western-Pacific Region (California, Nevada, and Hawaii) as well as the remainder of the country. Consequently, the development program for Kingman Airport must be closely coordinated with the FAA, both now and in the future.

Table 6B depicted the breakdown of federal, state and private funding for the proposed development program. This table is a summary of the item-by-item breakdown of improvement costs included in the **Continuous Planning** section at the end of this chapter. Under AIP, eligible projects can receive approximately 91 percent funding from the FAA. The majority of improvements will be eligible, however, improvements such as automobile parking, fuel storage facilities, hangars and portions of passenger terminal buildings are not.

The Aviation Fund

As indicated earlier in the chapter, assistance in obtaining the local share for development projects can also come from the Arizona Aviation Trust Fund. Federally eligible projects can normally receive half of the local share (4.47 percent) from the Aviation Fund while approved state-local development projects might receive up to 90 percent funding. Again, it must be emphasized that Kingman must compete with other airports. The development program must be coordinated with the State in order to assure equitable distribution of funds for airport program.

OTHER FUNDING SOURCES

Mohave County Airport Authority will need to consider other sources of funding for obtaining the local share of its capital improvement projects. In addition to the revenues derived from airport operations, the Authority has several methods available for financing the local share of airport development costs. The most common methods involve debt financing which amortize the debt over the useful life of the project or a specified period. Methods of debt financing commonly available to a municipality are not always available to an airport authority. Methods of financing available to the Authority are discussed below.

Revenue Bonds

Revenue Bonds are the only method of bonding available to the Authority and are retired solely from the revenue of a particular project or from the operating income of the issuing agency, such as the Mohave County Airport Authority. Generally, they fall outside statutory limitations on public indebtedness and do not require voter approval.

Revenue Bonds normally carry a higher rate of interest because they lack the security of tax supported General Obligation bonds issued by government bodies. The Authority is currently meeting its expense obligations and it is possible that revenue bonds issued in the corporations name could find a market, depending upon the community and State financial condition. The airport is presently unable to demonstrate an ability to meet its expense obligations, therefore, a bond issue guaranteed by the airport would have doubtful market value in the financial community. Until the airport becomes profitable and establishes a pattern of consistency, it is doubtful that issuing revenue bonds in the name of the Airport would be a feasible option for financing the development at the airport.

Bank Financing

Some airport sponsors (including the Mohave County Airport Authority) have successfully used bank financing as a means of providing airport development capital. Generally, two conditions are required: the Authority must demonstrate the ability to repay the loan at current market rates, and the capital improvement must be less than the value of the present facility. These are standard conditions which are applied to almost all bank loan transactions. This method of financing is particularly useful for smaller development items (such as Hangars, etc.) that will produce revenues and a positive cash flow, and where no private financing is available.

Third-Party Support

Several types of funding fall into the Third-Party Support category. For example, individuals or interested organizations may contribute portions of the required development funds. Private donations are not a common means of airport financing, however, if obtained, the private financial contributions not only increase the financial

support of the project, but also stimulate moral support to airport development.

A slightly more orthodox method of third-party support involves permitting the Fixed Base Operator (FBO) to construct their own hangar and maintenance facilities on property leased from the airport. The advantage to the airport in this type of an arrangement is that it lowers the local share of development costs, a large portion of which is building construction. The advantage to the FBO is that the development may qualify for investment tax credit and would be allowed depreciation on the facilities. However, the disadvantage is that the Authority will receive a smaller percentage of the revenue generated on these facilities.

KINGMAN AIRPORT INDUSTRIAL PARK

In November 1988, the Mohave County Airport Authority received a Deed of Release from the FAA for approximately 636 acres of airport property. This property was the latest release in a series of deed releases obtained from FAA since 1962 (property originally deeded to the county for use as a public airport). The released property was to be used as an industrial development area. Subsequent applications to the FAA for land releases have increased the size of the industrial development area, known as the Kingman Airport Industrial Park, to approximately 1,100 acres. In the future, the Authority plans to seek the release of additional airport property.

The Deed of Release stipulates that proceeds from the sale or lease of this land be used in support of capital improvements for Kingman Airport. The Mohave County Airport Authority has five years from the date of any land sale to invest the money in Kingman Airport. Funds from this resource will be applied to the federal share of capital improvement projects for the Kingman Airport. However, as the funds do not represent revenue to the airport and cannot be used to offset the local share of development costs, these potential funds will be ignored in the calculation of development costs and/or income revenue to the airport.

CONTINUOUS PLANNING

The successful implementation of the Kingman Airport Master Plan will require sound judgment by airport management. Among the more important factors influencing management decisions to implement a recommendation are timing and airport activity. Both of these factors can be used as references in plan implementation. While it was necessary for scheduling and budgeting purposes to focus on the timing of airport development, the actual need for facilities is in fact established by levels of activity. Proper master plan implementation suggests the use of airport activity rather than time as a guide toward scheduling future airport development.

Experience has indicated that major problems materialize from a rigid format for master plans. These problems involve the plan's inflexibility and inherent inability to deal with new issues that develop from unforeseen changes that may occur during the planning period. The format used in the development of this Master Plan has attempted to deal with this issue. This section is titled Continuous Planning for several reasons. The first reason is to emphasize that planning is a continuous process that does not end with the completion of a major project. The second is to recognize this fact without invalidating the overall Master Plan. The primary issues upon which this Master Plan is based are expected to remain valid for several years. In fact, they are likely to remain valid into the next century.

The real value of a usable master plan is that it keeps the issues and objectives in the mind

of the user. Consequently, the manager is better able to recognize change and its effect. In addition, it can make the preparation of a master plan much more cost effective by extending the period of time for which the plan is valid, and can eliminate the need for costly updates. Guidelines and worksheets are included in the following section for each future year during the initial five-year stage of development from FY1992 to FY1996. Summary worksheets are also included for Stage II (FY1997-FY2001) and Stage III (FY2002-2011). All estimated development costs are based on 1990 dollars. Therefore, costs must be adjusted by the appropriate inflation rate factor in effect at the time of development.

CONTINUOUS PLANNING AIDS

The continuous planning process requires airport management to consistently monitor the progress of the airport in terms of growth in based aircraft and annual operations because this growth is critical to the specific timing and need for new airport facilities. The information obtained from this monitoring process will provide the data necessary to determine if the development schedule should be accelerated, decelerated, or maintained as scheduled.

On an annual basis, airport management should compile this information and determine the actual number of enplanements, total amount of fuel sales, and total annual aircraft operations. Use of the Continuous Planning Chart, **Exhibit 6A**, and the Continuous Planning Graph, **Exhibit 6B**, will enable management to visualize airport activity growth and compare it to the forecast levels. These exhibits are located at the end of this chapter.

In addition, since fuel flowage fees are an important revenue source for the airport, actual fuel sales in gallons should be recorded on a yearly basis and compared to forecast levels. Fuel sales per operation should also be determined and compared with forecast levels. This continuous planning process data should be entered into the space provided on the yearly airport development schedule.

With this information, adjustment in the development schedule can be made to effectively deal with variations in forecast or any unanticipated demand that may arise. By closely monitoring the activity and availability of funds with the work-sheets provided on the following pages, management will be able to effectively implement the Kingman Airport Master Plan.

SUMMARY AND CONCLUSIONS

As previously indicated, federal funding will be the primary funding source for development of the Kingman Airport and will be instrumental in the implementation of the plan. Airport revenue and private funding will be the other sources for financing airport development. The airport will need to keep abreast of all potential funding sources, and will need to research each source on a continuing basis. By closely monitoring the activity and availability of funds with the worksheets provided at the end of this chapter, management will be better able to carry out its function of implementing the Master Plan.

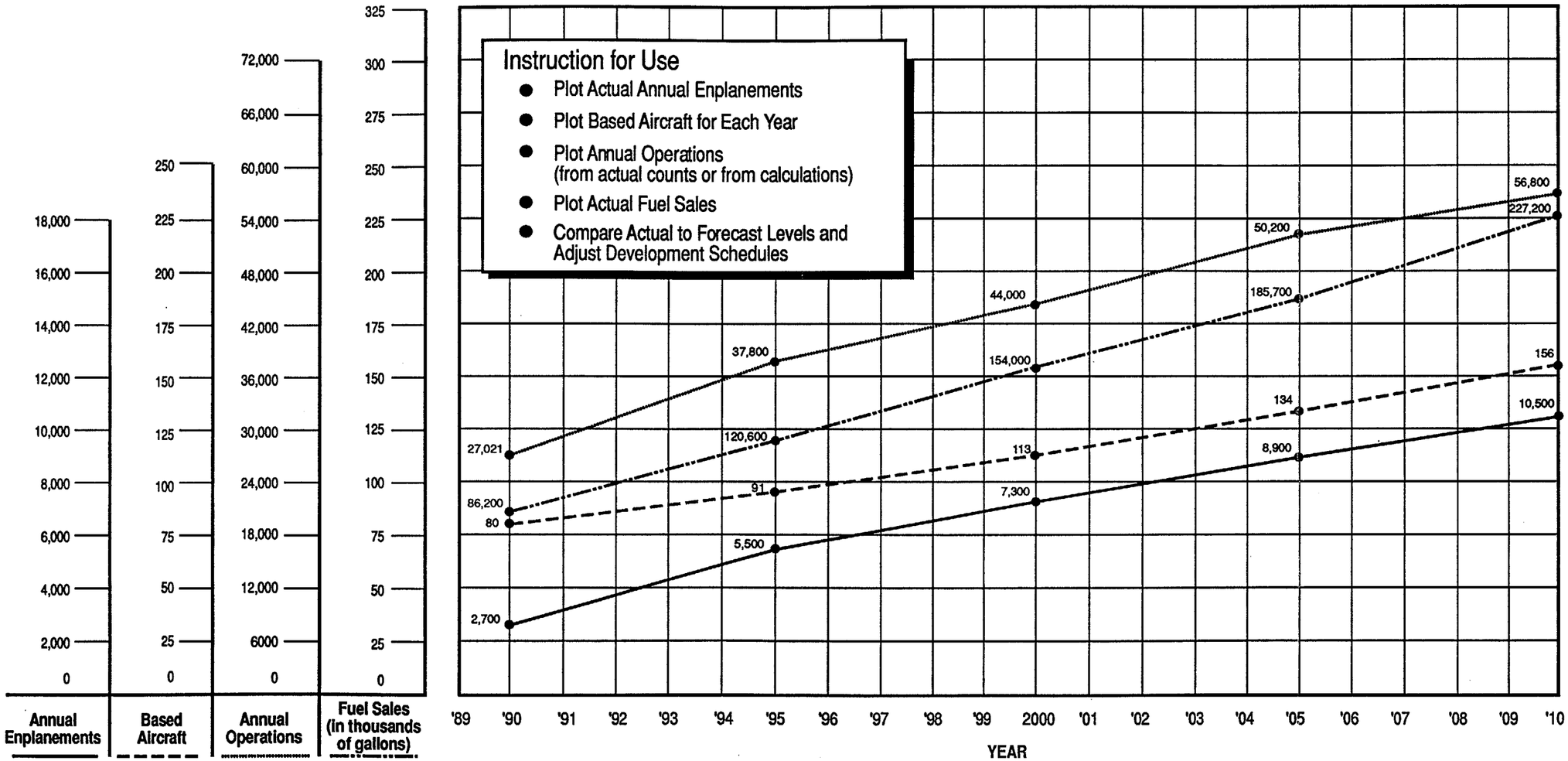
KINGMAN AIRPORT

	Annual Enplanements		Based Aircraft		Annual Operations		Fuel Sales (Gallons)	
Year	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual
1990		2,700		80		27,021		86,200
1991	3,260		82		29,200		93,100	
1992	3,820		84		31,400		100,200	
1993	4,380		87		33,600		107,200	
1994	4,940		89		35,800		114,200	
1995	5,500		91		37,800		120,600	
1996	5,860		95		39,000		136,500	
1997	6,220		100		40,200		140,700	
1998	6,580		104		41,400		144,900	
1999	6,940		109		42,600		149,100	
2000	7,300		113		44,000		154,000	
2001	7,620		117		45,200		167,200	
2002	7,940		121		46,400		171,700	
2003	8,260		126		47,600		176,100	
2004	8,580		130		48,800		180,600	
2005	8,900		134		50,200		185,700	
2006	9,220		138		51,500		206,000	
2007	9,540		143		52,800		211,200	
2008	9,860		147		54,100		216,400	
2009	10,180		152		55,400		221,600	
2010	10,500		156		56,800		227,200	

KINGMAN AIRPORT

Exhibit 6A
CONTINUOUS PLANNING CHART

90MP01-6A-4/2/91



KINGMAN AIRPORT

Exhibit 6B
CONTINUOUS PLANNING GRAPH

STAGE I
FY1992 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Funds	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	1991 Forecasts	1991 Levels	Difference
Fuel Sales (Gallons)	93,100	_____	_____
Enplanements	3,260	_____	_____
Operations	29,200	_____	_____
Based Aircraft	82	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE I (Continued)
FY1992 Airport Development Program

Development Item	Local	State	Federal	Total
1. Apron structural upgrade/reconstruction, 35,500 SY	$49,100	$49,100	$1,000,000	$1,098,200
2. Pavement preservation, Runway 17-35, 56,000 SY	19,400	175,000	0	194,400
3. Install lighted taxiway signs on Runway 3-21	7,500	67,500	0	75,000
4. Design and construct terminal auto parking area, 6,000 SY	15,000	135,000	0	150,000
Total Stage I (FY1992)	**$91,000**	**$426,600**	**$1,000,000**	**$1,517,600**

Inflation Adjustment: _____ % x $ 1,517,600 =

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

STAGE I
FY1993 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Fund	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	1992 Forecasts	1992 Levels	Difference
Fuel Sales (Gallons)	100,200	_____	_____
Enplanements	3,820	_____	_____
Operations	31,400	_____	_____
Based Aircraft	84	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE I (Continued)
FY1993 Airport Development Program

Development Item	Local	State	Federal	Total
5. Apron structural upgrade/reconstruction, 35,500 SY	$49,100	$49,100	$1,000,000	$1,098,200
6. Conduct airport drainage study	3,400	3,400	68,200	75,000
7. Construct new airport entrance road	500,000	300,000	0	1,500,000[1]
8. Commercial terminal design	10,000	90,000	0	100,000
9. Erosion Control	5,000	45,000	0	50,000
10. Relocate Port-a-ports	300	300	5,700	6,300
Total Stage I (FY1993)	**$567,800**	**$487,800**	**$1,773,900**	**$2,829,500[1]**

Inflation Adjustment: _____ % x $ 2,829,500 =

(1) $700,000 of this project is funded through other sources.

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

Since the FAA Fiscal year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this period. Applications for federal funds should be submitted early for the maximum funding possible, in case additional funds become available.

STAGE I
FY1994 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Funds	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	1993 Forecasts	1993 Levels	Difference
Fuel Sales (Gallons)	107,200	_____	_____
Enplanements	4,380	_____	_____
Operations	33,600	_____	_____
Based Aircraft	87	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE I (Continued)
FY1994 Airport Development Program

Development Item	Local	State	Federal	Total
11. Install MITL, Taxiway A, C and X, 5,000 LF	$5,600	$5,600	$113,800	$125,000
12. Install chain-link perimeter fence, 20,000 LF	20,000	180,000	0	200,000
13. Construct commercial service terminal, 7,000 SF	472,500	52,500	315,000	840,000
14. Construct one 10-unit Shade Hangar	128,800	0	0	128,800
15. Construct general aviation auto parking, 1,200 SY	1,700	1,700	34,100	37,500
16. Construct wash rack	37,500	0	0	37,500
17. Improve access road, 7,000 SY	17,500	17,500	140,000	175,000
Total Stage I (FY1994)	**$683,600**	**$257,300**	**$602,900**	**$1,543,800**

Inflation Adjustment: _____ % x $1,543,800 =

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

Since the FAA Fiscal year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this period. Applications for federal funds should be submitted early for the maximum funding possible, in case additional funds become available.

STAGE I
FY1995 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Fund	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	1994 Forecasts	1994 Levels	Difference
Fuel Sales (Gallons)	114,200	_____	_____
Enplanements	4,940	_____	_____
Operations	35,800	_____	_____
Based Aircraft	89	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE I (Continued)
FY1995 Airport Development Program

Development Item	Local	State	Federal	Total
18. Construct 969 foot extension to Runway 3, 17,000 SY	$42,750	$42,750	$870,800	$956,300
19. Construct 1,000 foot parallel taxiway extension, Runway 3, 13,900	32,500	32,500	662,600	727,600
20. Install MITL, parallel taxiway extension, Runway 3, 3,200 LF	4,470	4,470	91,060	100,000
21. Install MIRL, Runway 3, extension, 1,900 LF	3,200	3,200	64,900	71,300
22. Apron structural upgrade/reconstruction, 20,100 SY	49,800	448,200	0	498,000
23. Relocate VASI-2, Runway 3	450	450	9,100	10,000
24. Improve airport access road, 12,000 SY	30,000	30,000	240,000	300,000
Total Stage I (FY1995)	**$163,170**	**$561,570**	**$1,938,460**	**$2,663,200**

Inflation Adjustment: _____ % x $ 2,663,200 =

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

Since the FAA Fiscal year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this period. Applications for federal funds should be submitted early for the maximum funding possible, in case additional funds become available.

STAGE I
FY1996 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Fund	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	1995 Forecasts	1995 Levels	Difference
Fuel Sales (Gallons)	120,600	_____	_____
Enplanements	5,500	_____	_____
Operations	37,800	_____	_____
Based Aircraft	91	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE I (Continued)
FY1996 Airport Development Program

Development Item	Local	State	Federal	Total
25. Construct 3,230 foot parallel taxiway extension, Runway 17-35, 18,000 SY	$35,200	$35,200	$717,100	$787,500
26. Acquire land for Runway 21, RPZ, 80 acres	$17,900	$17,900	$364,200	$400,000
27. Apron structural upgrade/reconstruction, 21,100 SY	52,300	470,400	0	522,700
28. Relocate 10 Shade Hangars	650	650	13,700	15,000
29. Grade new pipeline road, Rwy 21RPZ, 4,800 SY	4,300	4,300	87,400	96,000
30. Construct wash rack, 450 SY	35,000	0	0	35,000
Total Stage I (FY1996)	**$145,350**	**528,450**	**1,182,400**	**1,856,200**
Total Stage I (FY1992-1996)	**$1,650,900**	**$2,261,700**	**$6,497,700**	**$10,410,300**[1]

Inflation Adjustment: _____ % x $1,856,200 =

Note: [1] $700,000 is funded through other federal programs.

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

Since the FAA Fiscal year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this period. Applications for federal funds should be submitted early for the maximum funding possible, in case additional funds become available.

SDMP01-6C-4/2/91

LEGEND:
① Development Item

0 1600 3200
SCALE IN FEET

NORTH

INDUSTRIAL

PARK

Runway Protection Zone (RPZ)

Future Runway Protection Zone (RPZ) 2500'X1000'X1750'

Airport Property Line

Future Runway Protection Zone (RPZ) 1700'X1000'X1400'

Runway Protection Zone (RPZ)

State Route 66

Mohave Airport Dr.

To KINGMAN (4 miles)

Future 7800'x150' Runway

Pipeline Road

BRL

PAPI

VASI

VOR/DME

MALS-R

Future Fence

50'

75'

KINGMAN AIRPORT

Exhibit 6C
STAGE I AIRSIDE DEVELOPMENT PROGRAM
FY 1992-1996

INDUSTRIAL

PARK

Mohave Airport Drive

Finance Way

Future Access Road

Large Aircraft Repair Facility

60'

Corp. Hanger Parcels

Relocate Port-A Porte

Auto Parking

Flightline Drive

Terminal Bldg.

Future FBO

Auto Parking

Future FBO

Fuel Storage Area

To be relocated

Commercial Service Ramp

Relocate Fuel Island

Future Runway Extension

Future 7800'x150' Runway

BRL

Taxiway

Future

60'

76'

NORTH

0 500 1000

SCALE IN FEET

LEGEND

To be removed

Future Structure

(1) Development Item

KINGMAN AIRPORT

Exhibit 6D
STAGE I LANDSIDE DEVELOPMENT PROGRAM
FY1992-1996

STAGE II
FY1997-2001 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Fund	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	19xx Forecasts	19xx Levels	Difference
Fuel Sales (Gallons)	(See Exhibit 6A)	_____	_____
Enplanements	(See Exhibit 6A)	_____	_____
Operations	(See Exhibit 6A)	_____	_____
Based Aircraft	(See Exhibit 6A)	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE II (Continued)
FY1997 - FY2001 Airport Development Program

Development Item	Local	State	Federal	Total
1. Install ILS/MLS precision approach landing system	$0	$0	$1,500,000	$1,500,000
2. Install MALSR approach lighting system, Runway 21	0	0	800,000	800,000
3. Construct connecting Taxiways, C2 and C3, Runway 17-35, 9,700 SY	18,970	18,970	386,460	424,400
4. Install MITL, Taxiways C1, and C2, 3,050 LF	2,800	2,800	56,900	62,500
5. Construct FBO hangar, 10,000 SF	0	0	0	750,000(1)
6. Construct one 14-unit nested T-Hangar,	0	0	0	150,000(1)
7. Construct one 10-Unit Shade Hangar	128,000	0	0	128,000
8. Construct general aviation auto parking, 1,200 SY	3,750	33,750	0	37,500
9. Pavement preservation, 250,000 SY	13,970	13,970	284,560	312,500
10. Relocate fuel island/storage tanks	7,000	7,000	142,300	156,300
Total Stage II (FY1997 - FY2001)	**$175,290**	**$76,490**	**$3,170,220**	**$4,322,000**

Note: (1) This project funded through private investment.

Inflation Adjustment: _____ % x $ 4,322,000 =

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

Since the FAA Fiscal year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this period. Applications for federal funds should be submitted early for the maximum funding possible, in case additional funds become available.

LEGEND:

① Development Item

0 1600 3200

SCALE IN FEET

NORTH

INDUSTRIAL

PARK

Runway Protection Zone (RPZ)

BRL

PAPI

MALS-R

50'

VASI

VOR/DME

Future Runway Protection Zone (RPZ) 2500'X1000'X1750'

Airport Property Line

Pipeline Road

State Route 66

Mohave Airport Dr.

To KINGMAN (4 miles)

Future 7800'x150' Runway

75'

Future Fence

Future Runway Protection Zone (RPZ) 1700'X1000'X1400'

Runway Protection Zone (RPZ)

KINGMAN AIRPORT

Exhibit 6E
STAGE II AIRSIDE DEVELOPMENT PROGRAM
FY 1997-2001

LEGEND:

① Development Item

0 1600 3200

SCALE IN FEET

NORTH

INDUSTRIAL

PARK

Runway Protection Zone (RPZ)

Future Runway Protection Zone (RPZ) 2500'X1000'X1750'

Airport Property Line

Future Runway Protection Zone (RPZ) 1700'X1000'X1400'

Runway Protection Zone (RPZ)

State Route 66

To KINGMAN (4 miles)

Mohave Airport Dr.

Pipeline Road

Future 7800'x150' Runway

BRL

PAPI

MALS-R

VASI

VOR/DME

Future Fence

50'

75'

KINGMAN AIRPORT

Exhibit 6G
STAGE III AIRSIDE DEVELOPMENT PROGRAM
FY 2002-2011

STAGE III
FY2002 - FY2011 Airport Development Program

The table provided below has been designed to note the funds available so that they can be kept in mind while analyzing the development factors outlined for this period on the next page. The table also provides a reminder of other potential sources that might be used in critical situations.

Airport Funds Balance	$ _____
Entitlement Funds	$ _____
Aviation Trust Funds	$ _____
TOTAL	$ _____

As a reminder, airport development should be keyed to demand (**actual** activity) rather than to a specific time frame (**forecast** activity). The spaces provided below allow actual activity data to be recorded for comparison with the forecast levels. This should be the first step in the process of initiating the recommended development program for this period. Significant differences between forecast and actual activity may justify acceleration or deceleration of the airport development schedule.

Activity	20xx Forecasts	20xx Levels	Difference
Fuel Sales (Gallons)	(See Exhibit 6A)	_____	_____
Enplanements	(See Exhibit 6A)	_____	_____
Operations	(See Exhibit 6A)	_____	_____
Based Aircraft	(See Exhibit 6A)	_____	_____

Based on the activity comparison above, should the recommended development schedule be maintained? Have new problems, needs, or development potentials occurred which may impact the development program? What adjustments in the development schedule are required to effectively deal with these factors.

_____

_____

_____

STAGE III (Continued)
FY2002 - FY2011 Airport Development Program

Development Item	Local	State	Federal	Total
1. Construct FBO Hangar, 10,000 SF	$0	$0	$0	750,000[1]
2. Construct one, 10-unit T-Hangar	0	0	0	150,000[1]
3. Install Distance Remaining markers, Runway 17-35	1,200	1,200	23,900	26,300
4. Expand terminal building, 3,000 SF	253,125	28,125	168,750	450,000
5. Construct additional terminal auto parking, 9,000 SY	28,100	253,200	0	281,300
6. Pavement preservation, 500,000 SY	312,400	156,300	156,300	625,000
7. Construct additional general aviation auto parking, 1,200 SY	3,750	33,750	0	37,500
8. Strengthen terminal apron, 20,800 SY	11,600	11,600	236,800	260,000
9. Strengthen Taxiways D, D1, D2, B and X, 57,200 SY	31,960	31,960	651,080	715,000
10. Strengthen Runway 3-21, 130,000 SY	72,640	72,640	1,479,720	1,625,000
11. Construct one 10-unit Shade Hangar	128,800	0	0	128,800
12. Extend Flightline Drive, 4,700 SY	5,250	5,250	107,000	117,500
Total Stage III (FY2002-2011)	**$848,825**	**$594,025**	**$2,823,550**	**$5,166,400**
Total Airport Development Program	**$2,675,015**	**$2,932,215**	**$12,491,470**	**$19,898,700[2][3]**

Note: (1) This project funded through private investment.
(2) $1,800,000 funded through private investment.
(3) $700,000 funded through other federal programs.

Inflation Adjustment: _____ % x $ 5,166,400 =

Plus or Minus Other Proposed Development:

1. _____	$ _____	$ _____	$ _____	$ _____
2. _____	$ _____	$ _____	$ _____	$ _____
3. _____	$ _____	$ _____	$ _____	$ _____
4. _____	$ _____	$ _____	$ _____	$ _____
Total	$ _____	$ _____	$ _____	$ _____

Since the FAA Fiscal year is from October through September, efforts should begin immediately to identify the development that will be eligible for federal or other funding during this period. Applications for federal funds should be submitted early for the maximum funding possible, in case additional funds become available.

INDUSTRIAL

PARK

Mohave Airport Drive

Finance Way

Future Access Road

Large Aircraft Repair Facility

60'

Corp. Hangar Parcels

Relocate Port-A Ports

Auto Parking

6

7

8

Flightline Drive

Terminal Bldg.

Future FBO

5

Auto Parking

Future FBO

Fuel Storage Area

To be relocated

Commercial Service Ramp

Relocate Fuel Island 10

Future Runway Extension

Future 7800'x150' Runway

BRL

Taxiway

Future

80'

76'

NORTH

0 500 1000

SCALE IN FEET

LEGEND

To be removed

Future Structure

1 Development Item

KINGMAN AIRPORT

Exhibit 6F
STAGE II LANDSIDE DEVELOPMENT PROGRAM
FY 1997-2001

INDUSTRIAL

PARK

Mohave Airport Drive

Finance Way

Future Access Road

Large Aircraft Repair Facility

Corp. Hangar Parcels

Relocate Port-A Ports

Auto Parking

Flightline Drive

Terminal Bldg.

Future FBO

Auto Parking

Future FBO

Fuel Storage Area

To be relocated

Commercial Service Ramp

Relocate Fuel Island

Future Runway Extension

Future 7800'x150' Runway

BRL

60'

Taxiway

Future

80'

76'

NORTH

0 500 1000

SCALE IN FEET

LEGEND

To be removed

Future Structure

1 Development Item

KINGMAN AIRPORT

Exhibit 6H
STAGE III LANDSIDE DEVELOPMENT PROGRAM
FY 2002-2011